control and their prices are fixed/revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. The Government takes corrective measures where the public interest is found to be adversely affected.

As a part of price monitoring activity, NPPA regularly examines the movement in prices of non-Scheduled formulations. The monthly reports of ORG IMS and the information furnished by individual manufactures are utilized for the purpose of monitoring prices of non-Scheduled formulations. Wherever any abnormal prices increase is noticed, necessary action is taken. The manufacturer is impressed upon in such cases to bring down the price voluntarily failing which, if justified, action is initiated under para 10(b) of the DPCO, 1995. This is an ongoing process.

(b)In case of non-Scheduled formulations, prices of 487 cases reported price increase beyond the permissible limits. Out of the above, NPPA has fixed prices in case of 24 formulations under para 10(b) and companies have reduced price voluntarily in case of 60 formulations. Thus in all, prices of 84 non-Scheduled packs have got reduced as the result of the intervention of NPPA.

(c)and (d) So far, no adverse impact on supply and production of drugs in the country due to price control has specifically come to the notice of NPPA.

Supreme Court direction on price control of drugs

t819. SHRI MOTI LALVORA:
SHRISATYAVRAT CHATURVEDI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a)whether it is a fact that in one of its order, the Supreme Court had said to bring life-saving drugs within price control;

(b)if so, when this ruling was given by the Supreme Court; and

(c)the steps taken by Government for compliance of the Supreme Court orders?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B. K. HANDIQUE): (a) to (c) The Supreme Court *vide* its interim order dated 10-3-2003 in SLP (C) No. 3668/2003 directed the Government, *inter alia,* to "consider and formulate appropriate criteria for ensuring essential and life saving drugs not to fall out of price control and further directed to review drugs which are essential and life saving in nature till 2nd May, 2003". As per the directions of the Supreme Court, the Ministry of health and Family Welfare reviewed the National Essential Drugs List 1996 and brought out the National List of Essential Medicines 2003 (NLEM 2003).

Keeping in view the directions of the Supreme Court it has been proposed in the draft National Pharmaceuticals Policy-2006 that basket of drugs for price control would be the essential medicines as contained in the NLEM 2003 (subject to certain exemptions) in

t Original notice of the question was received in Hindi.